



**“Wonderla Holidays Limited
Q1 FY '26 Earnings Conference Call”
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Moderator: Ladies and gentlemen, good day, and welcome to Wonderla Holidays Limited Q1 FY '26 Earnings Call. As a reminder, all participant lines will be in listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing star then zero on your touch-tone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Karan Khanna. Thank you, and over to you, sir.

Karan Khanna: Yes. Thank you, operator. Good afternoon, everyone. On behalf of Ambit Capital, I would like to welcome you all to the Q1 FY '26 Earnings Conference Call for Wonderla Holidays Limited. From the management, we have with us Mr. Arun Chittilappilly, Managing Director; Mr. Saji Louiz, CFO of the company.

We would like to now begin the call with opening remarks from the management, post which we will have the forum open for an interactive question-and-answer session. Thank you, and over to you, Arun and Saji.

Arun Chittilappilly: Thank you, everyone. On behalf of Wonderla Holidays, I'm delighted to welcome all of you to the Q1 FY '25 financial results. Joining me today are our CFO, Mr. Saji; and our COO, Mr. Dheeran Choudhary. I trust you had the chance to review our results and the accompanying investor presentation.

FY '25 was a milestone year for us. We celebrated 25 years of successful operations. What began as a simple yet powerful vision to bring happiness to people through world-class amusement experiences has evolved into an inspiring journey. We have entered FY '26 on a celebratory note, commemorating this legacy with the festive activities in our Kochi Park.

Even though the market environment was challenging, we have witnessed a robust start to the year with April footfalls were growing in double digits, supported by our summer team campaigns. These campaigns stuck accord with the families, allowing us to welcome 9.17 lakh visitors across our parks during the quarter.

During the second half of the quarter, we saw a decline in consumer sentiment owing to external factors, such as an early monsoon, and we are yet to -- yet we were able to sustain a flattish footfall compared to -- sorry, flattish revenue compared to last year.

During the quarter, we saw a positive shift in consumer behavior. Online bookings have continued to grow rapidly, and this reflects the success of our integrated digital marketing strategy. Combined with our operational excellence and enhanced guest experience, this helped deliver a 6% year-on-year rise in ARPU in Q1, reinforcing the strong value that we offer.

Another highlight of the quarter was the launch of Isle by Wonderla, a boutique luxury resort experience joining our Bengaluru park, spread across 4.5 acres, 39 key resorts features private pool cottages, glamping tents, hammock suites and nature-inspired offerings. Built with an investment of approximately INR39 crores, Isle reflects our vision of blending hospitality with entertainment, and it's aligned both with global leisure trends and evolving travel preferences in India.

The initial response to Isle has been above expectations, and we hope that this continues to contribute as a complementary experience to our amusement parks. Our non-ticket segment also continues to perform well, driving double-digit growth in sales per head. We continue to double down on our product offerings and guest experience leading to this healthy growth.

As an outcome of this, our customer NPS in Q1 also has shown promising growth. Construction of our fifth park in Chennai is progressing rapidly, and we remain on schedule to commence operations by December 2025. Looking forward, we are confident that our focus on innovation gets delayed and strategic expansion will continue to drive our sustainable growth.

With that, I conclude my remarks and hand over to Saji, our CFO, for detailed analysis of financial performance. Over to you, Saji.

Saji Louiz:

Thank you, Arun. Good afternoon, everyone, and thank you for joining us for the Q1 FY '26 earnings call. Let me cover the key aspects of the results. Our revenue from operations marginally declined by 3% on a Y-o-Y basis for the quarter and stood at INR169 crores. EBITDA, including other income for the quarter, stood at INR87.51 crores, registering a decline of 9 percentage Y-o-Y basis.

EBITDA margin for the quarter stood at 48.9 percentage. Our profit after tax for the quarter stood approximately at INR52.58 crores and PAT margins remained at 29.4 percentage. So the major reasons for EBITDA reduction, which is INR14 crores without considering other income are as follows; reduction in our footfall contributed roughly 31 percentage of the EBITDA reduction.

The incremental marketing expenditure attributes 45 percentage of the EBITDA reduction and net of all other expenses resulted in a balance 23% reduction in our EBITDA. Additionally, we have generated INR6 crores of other income in this quarter, mainly attributable to interest income on fixed deposits and gains from our investments.

Moving on to the park-wise footfall numbers. In Q1 FY '26, footfall for Bengaluru stood at 3.22 lakhs, Kochi at 2.37 lakh, Hyderabad at 2.62 lakhs and Bhubaneswar stands at 96,000. The average ticket price for the quarter stood at INR1,281 with a 4% increase on Y-o-Y basis. The average non-ticket price is INR493, an increase of 11 percentage on Y-o-Y and average revenue per user, ARPU stood at INR1,775 for the quarter with 6% increase on Y-o-Y basis.

With this, we can open the floor for Q&A session. Thank you.

Moderator:

Thank you very much. We will now begin the question-and-answer session. The first question is from the line of Jai Chauhan from Trinetra Asset Managers.

- Jai Chauhan:** I have 3 questions. One is given the glamping and boutique resort of Isle by Wonderla, are you observing a faster occupancy ramp-up compared to traditional resort properties? I mean like the response and booking momentum compared to expectation of new hospitality assets compared to hospitality industry?
- Karan Khanna:** Sorry, can you please repeat the question?
- Jai Chauhan:** Yes, sir. So basically, I was asking, are you observing a faster occupancy ramp-up compared to traditional resort properties because I guess it has been almost a month, right, you started operations at Isle.
- Arun Chittilappilly:** Yes, it's doing well, better than what we thought. So I think definitely, there is a demand for a differentiated premium offering. So that's what we feel, yes.
- Jai Chauhan:** Right, sir. And sir, do you exclusively offer bundled packages only? Or do you also sell stand-alone room nights, individual and F&B offerings at resorts. So like what has been the guest preference in that so far between bundled and unbundled options?
- Arun Chittilappilly:** We don't know yet. I mean, it's still early days, but I think mostly people take -- with the park. Some people may not take with the park also, yes.
- Jai Chauhan:** Right. Got it, sir. So one final question that I have is within the reported average of non-ticket price, the spend per head, like could you please provide a breakup between F&B, merchant and any other revenue streams like if the F&B -- I think F&B will be the dominant contributor, right?
- Arun Chittilappilly:** Yes, F&B is the dominant contributor.
- Jai Chauhan:** And do you have any other ancillary revenue stream for the same for non-ticket price, average non-ticket price?
- Arun Chittilappilly:** No, no, no. This is it. We have F&B, retail and then resorts that comes under non-ticket revenue for us.
- Moderator:** The next question is from the line of Navin from ithought PMS.
- Navin:** Congratulations on completing 25 years, huge milestone for the team. So again, this is just like a very broad-based forward-looking session because a couple of quarters ago, I remember other analysts asking questions about future parks and you guys mentioned that you were in discussions with governments, right? So any movement on that front? So is there anyone new - any place that you're considering?
- Arun Chittilappilly:** We've not been able to finalize anything yet. These are -- we have 2 locations where we have advanced stage of discussions going on. Once we have a closure, we will definitely announce it.
- Navin:** Got it. Got it. Just one more question. So regarding the concerts, right? So I just wanted to know which line item that revenue falls into. So would it be under...?
- Arun Chittilappilly:** Non-ticket.

- Navin:** And like has that improved in share of contribution compared to like retail resorts, SMB, stuff like that? Or is it still a very small part of non-ticket?
- Arun Chittilappilly:** No, it's very small. It's very small. And we usually -- I mean, we are not looking that as a primary revenue driver even from non-ticketing. It's more of a marketing-related spend that we do. Of course, we do get some ticketing revenue. I'll ask Dheeran to just explain that a little bit more.
- Dheeran Choudhary:** Thanks, Arun. So like Arun said, it's not a core revenue driver. We look at this as a marketing initiative to kind of build Wonderla as an overall entertainment brand. And a lot of these are partnerships that we do with the larger concert organizers out there.
- Moderator:** The next question is from the line of Shamit from Ambit Capital.
- Shamit Ashar:** So congrats to the team on completing 25 years. So could you talk about the difficulties you faced initially and how the overall amusement park landscape in India has changed over the last 2 decades and how Wonderla has evolved, which gives you the confidence to increase more parks by the end of this decade?
- Arun Chittilappilly:** I think the main hurdle that we still face even to this day is that the industry is not really recognized as an industry yet, even though in other countries, it's a very -- especially developed countries, it's a thriving industry. So the main issue is land acquisition, government clearances and getting the rides -- quality rides at a decent price, whether you make it or import it. So these are the main challenges.
- Those challenges continue to remain in some ways, but a lot of those have been mitigated because we are also now vertically integrated, especially for the rides, etcetera. So these are some of the challenges. But I think that the changes now that we see is that I think a lot of governments, especially tourism-friendly states have recognized the need for amusement parks in their states, especially in the larger cities.
- So that has helped us to negotiate directly with the government to set up projects and secure land at very reasonable prices. So some of those positives are also there. But a lot of the challenges also remain. This industry by its very nature is a very complex industry. It's a very engineering-heavy, maintenance-heavy, safety-heavy industry. So it's not something that can be easily tackled. So it takes a lot of operational rigor to have mastery in the segment.
- Shamit Ashar:** Got it. And even recently, the CM of Haryana announced plans to bring Disneyland to India in a few years. So how are you looking at this development? And post your commissioning of the Chennai Park, how aggressively are you looking to scale up your operations, especially in the northern belt?
- Arun Chittilappilly:** See, Disneyland is not coming to India anytime soon. I'm sure different chief ministers will keep announcing it, but I don't see them coming to India anytime in the future because near future, at least for the next 5, 10 years because -- simply because the investment required is massive. It's like when we spend INR500 crores to INR700 crores for a park, Disney Park will cost anywhere between \$3 billion to \$7 billion per park. So that kind of investment will not be financially viable for a country like India. So I don't see that happening.

But I think there is definitely scope for smaller like players like Wonderla to expand into other geographies. And we are negotiating even with Haryana government, for example, to see whether we can set up somewhere or something in the NCR region. And we are also talking to Uttar Pradesh for Noida. So whoever gives us a better deal and where we feel it's more suitable, we will go with that. Talks are not yet -- it's not over, so we can't comment more on this. But I think definitely, for us, we feel that there is definitely a scope to expand into other cities, especially the larger cities, state capital cities, etcetera.

Shamit Ashar:

Got it. And you witnessed good response from the newly launched Odisha park. However, for the mature parks, which are Bengaluru, Kochi, Hyderabad, there has been some footfall degrowth. And even though it's offset by an increase in ARPUs. So can you specify the reason for decrease in footfall growth in the mature parks? And is there a sluggish demand from which set of customer groups? Is it MICE or the school group, etcetera? And what measures are you undertaking to increase the footfalls going forward? Some clarity on that?

Arun Chittilappilly:

Dheeran, you can take that.

Dheeran Choudhary:

Thanks, Arun. So if you actually saw the report that Arun also spoke about recently was, we actually had a double-digit growth in April. So we were actually on par to really drive growth across all our parks. But May actually were some unforeseen circumstances. One was there was this whole war year, which actually saw the entire entertainment industry get disrupted, right, concerts, events across. So it kind of, again, hit our consumer sentiment to step out.

And the early monsoons, right, so the inclement weather is never favorable, especially during summer holiday season for an industry like ours. So the early monsoon actually impacted people's sentiment to really step out, right? These 2 are the larger reasons that actually kind of in the second half of the quarter led to a dip in the footfall, right? Obviously, schools were not - - our business was primarily from FIT in Q1 because schools is closed. That is a more Q3 business. And how did we kind of try to overcome this is? I think the answer is in our ARPU growth, right?

Our ability to have operational excellence, add more value, increase our offerings and propositions and give a better customer experience and drive better ARPU growth even at a time when the footfall is growth, hedges some of our risks that is beyond our control. And we are very positive on the consumer sentiment in the midterm to the long term. And that's why if you see, we continue to double down and invest on marketing because we feel that the more we build ourselves as a brand, this will compound and over a period of time, we will be able to deliver the footfall, assuming the environment favors us.

Moderator:

The next question is from the line of Adhidev Chattopadhyay from ICICI Securities.

Adhidev Chattopadhyay:

Just first question is what is the capex you have incurred in the first quarter? And what is now the balance capex to go for the remainder of the year, especially in Chennai? And when do we see the park being commissioned, yes? That is the first question.

- Saji Louiz:** So we have incurred about INR480 crores so far. And then the park is going live by December 2025. So we may have to incur additionally about some INR120 crores, INR130 crores to complete it.
- Adhidev Chattopadhyay:** Okay. So this is post June, you're saying INR120 crores post June, right? The remainder of the year will be INR120 crores.
- Saji Louiz:** Right. Right.
- Adhidev Chattopadhyay:** Okay. And sir, this Chennai, it will be a soft opening? Or what is going to be the opening over here in December, whatever you are planning? The full-fledged opening...
- Arun Chittilappilly:** Yes. Soft opening. Yes. It will be a soft opening. We always do a soft opening first and then do a hard -- like a big launch because the sheer size of the park and we are not -- we will not be -- all the rides may not be ready in time. There's a small chance that one or two rides may not be ready. So we will not do a full opening. I think the full opening will happen most likely for summer. So that's how we plan.
- Adhidev Chattopadhyay:** Okay. By April, May of next year is when you want to scale it up gradually to the full.
- Arun Chittilappilly:** Yes. Yes.
- Adhidev Chattopadhyay:** Yes. Okay. Sir, second question is in the context of Q1 performance and whatever demand you're seeing in the Q2, overall for the year, any guidance on footfall growth overall for the year on last year's base? Anything you'd like to share?
- Arun Chittilappilly:** Saji, you can answer. We are not -- see, we don't give guidance in that sense. I think we are expecting low single-digit growth in our -- the mature parks and the newer parks should obviously grow slightly faster. That's the kind of benchmark we keep for ourselves. Of course, then, of course, Isle is also something new that we've launched. So that should also ramp up significantly.
- Don't have a percentage to give you, but I think low single-digit in footfall growth is what we are -- I mean, maybe if you are lucky, we can do better than that. But of course, when Chennai launches, that also will change numbers a little bit. So, but from our existing parks, I think we can expect a low single-digit kind of footfall growth.
- Adhidev Chattopadhyay:** Okay. So we still stick to some growth from existing parks, right, even after Q1, whatever the...
- Arun Chittilappilly:** Yes. Yes.
- Adhidev Chattopadhyay:** Right. Okay. That is the overall picture for the year. Okay. Okay.
- Moderator:** The next question is from the line of Angad Katdare from Sameeksha Capital.
- Angad Katdare:** Sir, my first question is, to what extent do you evaluate these exogenous factors like unseasonal rains and war contribute to your decline in footfall in the last quarter?

- Arun Chittilappilly:** Sorry, we couldn't hear you?
- Saji Louiz:** Anything -- yes. He wants to know to what degree does adverse weather effect?
- Arun Chittilappilly:** Yes. Adverse weather will have an effect. I think our numbers can -- on a particular day, if the weather is good, I think, we get -- let's say, we get 100%. If the weather is adverse, it can go down to like 60%. So we can lose up to 40% -- 30%, 40% of footfalls, depending on the severity of the situation and also sentiment and things like that, yes.
- Angad Katdare:** Got it. And sir, given that our non-ticket ARPU now accounts for 28% of our total ARPU, what are your expectations for this trend going forward?
- Arun Chittilappilly:** So we hope that non-ticket revenue should continue to climb as a percentage and we want to get to a 60%, 40% kind of number eventually, and that's the hope that -- that's where we want to get.
- Angad Katdare:** Got it. And sir, my last question is what is the peak revenue expected from the Isle property? And any comments on margin will be helpful.
- Arun Chittilappilly:** Very hard to predict that. We will -- it's still a new business and it's an experiment for us. So we are not looking at any -- there is no benchmark. As of now, we are doing about 60% to 70% occupancy. And we hope it will continue and maybe even grow a little bit more than that as well.
- Moderator:** The next question is from the line of Nirav Savai from ABAKKUS.
- Nirav Savai:** Yes. My question is in continuation with the previous participant on the new hotel, which has been launched. So what is the difference in ARR compared to the previous one, what we have?
- Arun Chittilappilly:** ARR is almost double of the previous resort.
- Nirav Savai:** Okay. And with considering a 60% to 70% kind of ARPU, do we expect about INR20-odd crores of revenue on an annual basis?
- Arun Chittilappilly:** Like I said, we can't give you a number on that right now. We'll have to wait and see how the year pans out. This is still a new business. So we can't give you a number expectation. But I think we should do -- if we do 60%, 70% occupancy, I think, we definitely will be profitable and it could be even more profitable than our other resort offering.
- Nirav Savai:** Right. Secondly, on the Bhubaneshwar side, have we broken even this quarter or it is still loss-making?
- Arun Chittilappilly:** It's broken even, Saji, you can just give some...
- Saji Louiz:** The Bhubaneshwar is presently for this quarter, it is EBITDA positive. And after considering depreciation and other things, it will be slightly under those.
- Nirav Savai:** Okay. And on the marketing spend, you see the other expenses have gone up by almost, what, 50%-odd, if I'm not wrong. So what exactly is -- what is the reason behind this? Because last

year, we had launched Bhubaneswar, so other expenses were up. It's about 23% growth on a Y-o-Y basis. Is the entire marketing spend or there is some other component.

Arun Chittilappilly: For example, we had our 25th anniversary. So we did some spends on that. I think Dheeran, you can explain a little bit more on this?

Dheeran Choudhary: Yes. So I think it's across -- one is apart from marketing, we also had like our 25th anniversary launch. So that had some cost. Also some of our operating costs, right, in terms of wages, salaries, the inflationary hikes that we give them. So that also caused an overall increase in the other operating expenses.

Saji Louiz: To add on to that, Nirav, it's basically about some 30%, 35% of reduction in our top line due to the reduction in our footfall, what we expected with respect to the previous year. And similarly, about some 40% to 45% reduction in -- increase in our marketing spend, which resulted in some addition in our total expenses. Apart from that, we have certain 20 percentages, 25 percentages with respect to all other expenses ups and downs, which carried for this present year.

And overall, in addition to that, we have about -- we have achieved about some INR6 crores of other income coming from our fixed deposit and then the gains on mutual fund investments and all, which offsets. So, overall, we have about some INR8 crores, INR8.5 crores of reduction in our EBITDA, which is within these 2, 3 heads.

Nirav Savai: Right. And how do we see the entire year other income with the kind of cash which we are sitting on...

Saji Louiz: Other income.

Nirav Savai: Post the completion of capex and required for Chennai, right?

Saji Louiz: Yes. Mostly, it will settle to the normal level, now because we have the large money sitting in our QIP front, which is being used as a reimbursement from the monitoring agency account. That's why our interest rate is slightly more compared to the previous quarter, where our investment base in previous quarter was about some INR130 crores. Now it is about some INR240 crores, that makes some difference in the interest income. So once we complete the project by Q3, it will automatically settle.

Nirav Savai: So broadly for the entire year, should we see about INR25-odd crores as other income or can be higher?

Saji Louiz: Presently, we have about some INR10 crores of other income, which includes about...

Nirav Savai: Yes.

Saji Louiz: Some INR4 crores of mutual fund and other thing is interest income is about some INR5 crores, INR6 crores. That's how it has been built up. Maybe next one more quarter, we will get the same similar kind of a return and after that, it will eventually reduce.

Nirav Savai: So, INR5 crores is something which we see in H2 onwards.

Saji Louiz: Yes.

Moderator: The next question is from the line of Pramod Dubey from RK Capital.

Pramod Dubey: Yes. So, firstly, congratulations on the launch.

Moderator: Sorry to interrupt. Pramod, sir, there's a background noise from your line.

Pramod Dubey: Yes. So could you please elaborate on expected occupancy rate for FY '26 and projected revenues for Isle, the new...

Arun Chittilappilly: Projected revenues, we are expecting between 70% and 80%. 70% is what we are running currently. So -- but because it's the first year, it's very hard for us to say how -- what is the full year occupancy going to be like. But I think 70% is definitely better than what we expected. We expected 60%. So we will maintain between 60% and 70% is our expectation.

Pramod Dubey: Okay. And I would like to understand how Isle fits into your broader growth strategy? And what could be the anticipated ROI and payback period for INR39 crores investment that we have made.

Arun Chittilappilly: Again, like I said, it's a new investment. It's very hard to make a guesswork on that. It could pay back very quickly the way it's going. But we'll wait for a few more quarters before we can give you a clearer picture. But I think it's definitely something that has been -- it's profitable and it's more profitable than our other resort offering.

In fact, we are also upgrading our other resort to the same standard of Isle and we will be relaunching the resort in a different fashion towards the end of the year. So I think the resort business is going to undergo a bit of change for us. We'll give you more clarity once that is done.

Pramod Dubey: Understood, sir. Understood. Also, and on a different note, are there any new rides or infrastructure upgrades that you have planned across your parks in FY 2026? And if so, could you share some details associated with capex, expected launch time lines for those?

Arun Chittilappilly: We have some capex plans are there. A couple of new rides will be added to every park, but nothing major, no big capex. I think maybe INR10 crores per park is kind of the number that we are looking at.

Saji Louiz: To add on to this, if you could remember our QAP document, we had taken money for expanding one ride at our Bengaluru Park, which is a roller-coaster ride.

Arun Chittilappilly: A big roller coaster. Yes. Yes.

Saji Louiz: Which is getting -- the work has started already, which is about some INR20 crores will be the total planned outflow for that particular ride.

Moderator: The next question is from the line of Himanshu Upadhyay from BugleRock PMS.

- Himanshu Upadhyay:** Yes. Hi. Good afternoon. Can you give a breakup of group bookings versus individual bookings for the quarter? And how has the travel from distant places or, let's say, within 100 kilometers been or the progress on that front? And also in Bhubaneswar, are we seeing footfall more from outside Bhubaneswar now or -- as a percentage of overall sales? Or it is still dominated by within Bhubaneswar and 15 kilometers, 20 kilometers radius type of thing?
- Arun Chittilappilly:** See, group business for Q1 is very minimal. We are not, I think, maybe less than 10%. Bhubaneswar, I think I'll ask Dheeran to just comment on that.
- Dheeran Choudhary:** Yes. Hi. So, yes, like, I think, obviously, it's summer season or holidays. So group business is not a major business for us. And I think in Bhubaneswar, I think, now that it's been a year, earlier, we were getting a lot of people from the primary market. But as we build the category and expand our marketing initiatives, we are also getting a lot more people from Odisha and especially the neighbouring Vizianagaram belt attached to Andhra.
- So during the summer holidays, there is a lot of inbound tourism that happens to Odisha. So we are getting that kind of footfall. But our primary focus is to continue to first establish Bhubaneswar and Odisha as a market, because we see that there is enough scope and continue to focus on inbound tourism if there is an opportunity there. So that's how we build all our footfall in all our parks.
- Moderator:** The next question is from the line of Richa from Equitymaster.
- Richa:** My question is on Chennai Park that you plan to launch it this year. Have you budgeted any kind of marketing expense or the initial promotional expenses like you had in Bhubaneswar?
- Arun Chittilappilly:** Of course, we will be launching with the marketing spends as well. I think, Dheeran and Saji can give you some more detail on the numbers.
- Richa:** Yes.
- Saji Louiz:** Marketing, when we are closing to the opening date, maybe in October, November time, we'll be starting marketing activities and selecting the particular vendor and the service provider. And as of now, the -- we don't want to give any guidance on what could be the marketing spend and all.
- Richa:** Yes.
- Saji Louiz:** We finish the quarter and things like that, we may be able to disclose it what exactly it would be. Dheeran, do you want to add anything to this?
- Dheeran Choudhary:** No. I think...
- Arun Chittilappilly:** Yes. It's hard to put a number on it. Yes. It's hard to put a number on it before it's done. So -- but definitely, we will spend on that marketing in proportion to the kind of market that we expected.

Richa: Okay. And sir, in Bhubaneswar Park, I think, in the last quarter, you had shared a guidance of around -- you expected INR2.8 lakhs to INR3 lakh kind of footfall. But post first quarter, do you expect the similar number of footfalls or is there any kind of revision over there?

And the second related question was that I noticed that your non-ticket expense in Bhubaneswar is quite at par with your Tier 1 city parks. So does that imply that there is -- there is more scope for raising the ticket price and the affordability actually could be better?

Management: So I think the footfalls in Bhubaneswar, we are expecting roughly around 3 lakh footfalls in this year. Last year, we was our opening year and still a new market. So we are still learning the ropes of how to operate in that state. Every state works a little differently. Every state has its own different media, the way people consume media and the kind of messaging that has to be given is different.

So this year, we are slightly changing our strategy. So once that happens, and we are definitely -- we are confident that it will definitely reach somewhere there. And of course, there is headroom for growth from that number as well. The reason why we are saying higher sales non-ticketing spends in Bhubaneswar is because the first year -- couple of years, usually early adopters will -- they are the ones who will come and visit the park.

So the early adopters usually spend more. They are slightly -- they are more affluent people. So -- but usually, what happens is after year 3 and 4, the more common -- like people who are not so well off also will come to the parks.

So when that happens, you could see a slightly -- maybe the ARPU SPS numbers can dip a little bit. But as of now, Bhubaneswar is showing very healthy trends in terms of non-ticket revenue. We are being cautious by saying that, that might dip a little bit, but we'll have to wait and see. I mean, it's still a new market for us, and we are still learning the market.

Moderator: The next question is from the line of Parth from RK Bhojani & Associates.

Parth: Hello. Good afternoon, sir. I have basically two small questions. First, regarding how have the footfalls and occupancy levels performed across all the parks in quarter 1? And what is the growth outlook for FY '26?

Management: Saji, can you take the question? We have just explained that, but -- Saji?

Saji Louiz: Yes. Footfall, as explained earlier, the footfall for the month of April, it was progressing on a double-digit growth. And then due to the external factors, which our CEO has already explained, due to that, there was some sentiments were there. And due to that, we had faced certain reduction in the footfall. Otherwise, things are under control. With respect to occupancy of the resort and the new one Isle, as explained earlier, it's almost at par with our expectation and the Isle is slightly above the expectation what we had earlier.

So at present, as informed by MD, it's about 70 percentage of occupancy, we are getting it from the new resort. But anyway, it's a new thing started in the last month. we will take some more

time to understand it fully and then only we can just give you any guidance on those kind of things.

Parth: Got it. Got it. And another question was regarding with the recent decline in the share price, how is the management addressing investor concerns? And what steps are being taken to restore the confidence?

Management: Is not something that we don't -- I mean we are -- the people, the share price is depending on so many other factors. It's something and it's not in our control. So I mean we don't take any -- we don't actively do anything in the share market.

Parth: No, no, no. I'm not asking like that to increase the share price and everything, I don't have, but how to keep the confidence of long-term investor, I'm asking about it.

Management: Long-term investors, I mean, we are bullish on the segment and we have growth plans, so that should be good enough for long-term investors to see that we have a growth plan and we are executing it. So I think it will definitely happen.

Moderator: The next question is from the line of Shivam, an Individual Investor.

Shivam: Hello. Yes. Hi, sir. Thank you so much for taking my questions. Am I audible?

Management: Yes, yes.

Shivam: Sir, just one question on the resort side. So our Bengaluru resort, which is operating on 55% to 60% occupancy. So why are we investing in like investing and opening another resort and then doing work on the Bangalore resort, or we invest that money into parks, which is our core business? I just wanted to understand the capital allocation point of view?

Management: No. So I think we are -- the two resorts that we have are in two different segments. One is a little more like mid-segment like 4-star. The one we have opened now it's a little closer to a 5-star accommodation and it's like pool with a private pool and things like that. So the value proposition is different. And also those kinds -- and this is a unique thing that we have just launched.

I don't think there are other resorts like this, like in India right now. So it's in a way we are exploring and seeing how we can innovate in the resort segment and draw a new crowd to our resort segment. We are in the middle of revamping our existing resort also. That will also become more a premium and it will become very differentiated from other resorts like your Marriott and all that.

We want to create differentiation and uniqueness to our resorts. So that is why we are doing this. And I think our numbers speak for itself because I think we're showing good result. I think people are wanting to go out of the cities and spend on differentiated offerings. So our endeavor is to create those differentiated offering.

Shivam: Okay. Thank you, sir. And sir, second question is like, sir, the Chennai Park, we are expected to open in December. So are we looking for another park? Or like are we planning to let these two

new parks pool cool down that the footfalls come on a mature level, then we expand to the new park or we are looking for some expansion?

Management:

No, we are already looking at other -- we want to create a healthy pipeline of projects. So we will definitely be -- we are already looking at least three new locations. And once we have final approvals and finality on this, we will definitely update. We are looking at further locations as well.

Parth:

And sir, last one is on Bhubaneswar park. So in last year when the park was opened in June, the footfall was 70,000. And in the current first full quarter, the footfall is 96,000. So what type of average footfall we are looking for Bhubaneswar for the full first quarter? So like that should be around this 0.96 lakh or 1 lakh that will go on further.

Arun Chittilappilly:

Like I said, Bhubaneswar is a new market for us. So we are still learning the market. Sometimes Bhubaneswar also was affected a little bit by bad weather. So we did lose some footfalls in May actually. Last year, we had just opened in June. So we had unusually very heavy footfall, and we got unusually high footfalls for in that just those few days.

This time, I think it's more a little bit of a -- it's come more spread out. And our park is not that very big, so we can't handle too many people. So in that sense, I think maybe 1 lakh can become 1.5 lakh for that quarter, but that's the endeavour. We'll definitely look at how we can improve it. But as of now, this is how it has been. And hopefully, we can do that -- do a better job in the coming year. Like I said, we should cross 3 lakh footfalls this year, and that's what we are working towards.

Parth:

Okay, sir. And sir, the thing is the Chennai Park is going to come this year. If you are expecting two more parking coming 2 years. So we are expecting that the margins are going to take a hit for coming 2, 3 years, then when the revenue will start falling, the margins going to improve, like after 2 years, is it correct to assume?

Arun Chittilappilly:

The margins will be under pressure maybe for another year. And I think once Chennai comes in, I think we should be -- the margins should improve. Maybe, I don't know, maybe the second half of next year onwards, I think we are hoping that the margins will increase. Maybe after Q1 of next financial year also, it should improve. So -- but it's too early to predict that. This is not a business where you can easily predict what it's going to be like. So we'll have to wait and see.

Parth:

So -- and sir, for all the new parks, the cost will be recognized upfront and the revenue is going to come. So, that we are not thinking of any specific budgeting of our costing for the park like that will go ahead and hit on the numbers?

Arun Chittilappilly:

Yes, yes. I mean we are a capex upfront capex business. Obviously, the capex will be upfront

Parth:

Okay, sir. That's it from my side. Thank you, sir.

Moderator:

Thank you. The next question is from the line of Saurabh Dhole from True Beacon Investment Advisors. Please go ahead.

Saurabh Dhole:

Yes. Thank you so much for the opportunity. I know a lot of questions have been asked on the footfalls. But even if I take into consideration, I mean, whatever you had already mentioned. But even if I look at Q1 numbers of the previous financial years, footfalls have been kind of coming off. They were at INR11 lakhs at some point and about 10 and now we are at 9. So -- and parallelly, obviously, the ARPUs are kind of going up. So I just want to understand, is there fundamentally something changing with respect to your target segment, I mean, in terms of positioning, etcetera? So that's question number one.

The second question is when you look at refreshing the rides in a park, how feasible is it to kind of move one ride from one park to another in terms of costs and obviously, in terms of kind of retaining the footfalls? Thank you.

Arun Chittilappilly:

See, you have to remember that our parks are already tenured parks, especially two out of three, I mean, I would say two out of four parks are tenured. We only have Bhubaneswar, which is a new park. But Bhubaneswar is a very small park. It has a capacity less than one third of our bigger parks. So I think footfalls can fluctuate, especially in the tenured parks.

So I think our strategy has been to improve ARPU because that, obviously, we have a premium positioning in all our markets. So -- and if we are showing value, people are willing to spend more. So that has been established. So hence, every time we do a value-added offering or have new rides, etcetera, we are able to increase our ARPU. This is for both ticket and non-ticket.

So we are not expecting huge footfall growth, especially in Q1 from our existing parks. So footfalls in Q1, unless there is a new big park will be flattish or maybe low single digits. That's all we can expect. The revenue growth will have to come from new parks and some ARPU growth as well, which is what you are seeing.

Rides, we can shift, but I think depending on the ride, some rides are easy to shift. Some rides are very expensive to shift. So it just depends on the ride, and we have already done that for Chennai. We have moved a few rides from our older parks to Chennai, and we are putting new rides in the older parks. So we keep doing that. We keep shuffling whenever that is possible.

Saurabh Dhole:

Okay. And this ride shifting does have an impact on the footfalls?

Arun Chittilappilly:

Yes, yes. I mean, of course, whenever we add new rides, there's definitely some -- even if it doesn't -- like, for example, footfalls, it helps us in marketing and creating a buzz in the market.

Saurabh Dhole:

Yes, sure. Got it. Thank you.

Moderator:

Thank you. Ladies and gentlemen, this was the last question. I now hand the conference over to the management for the closing comments. Thank you, and over to you, sir.

Arun Chittilappilly:

Thank you all for attending the first quarter of FY '26 earnings call for Wonderla Holidays. Hope to see you all in the next quarter. We are bullish on this industry, and we hope to continue growing and expanding into this segment and also experimenting on new products like Isle, etcetera. So thank you all for joining the call.



*Wonderla Holidays Limited
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Moderator:

Thank you. On behalf of Wonderla Holidays Limited, we conclude this conference. Thank you for joining us, and you may now disconnect your lines.